

ITEM NO: 11

DECISION-MAKER:	AUDIT COMMITTEE		
SUBJECT:	AUDIT COMMISSION: ANNUAL AUDIT AND INSPECTION LETTER 2007/08		
DATE OF DECISION:	19 th MARCH 2009		
REPORT OF:	CHIEF INTERNAL AUDITOR (Acting)		
AUTHOR:	Name:	Neil Pitman	Tel: 023 80 834616
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STATEMENT OF CONFIDENTIALITY

None

SUMMARY

The Annual Audit and Inspection Letter presents the results of the statutory audit of the Council's 2007/08 Financial Accounts.

The Annual Audit and Inspection Letter 2007/08 will be formally presented to Council on 18th March 2009.

RECOMMENDATIONS:

- (i) That the Audit Committee notes the Annual Audit and Inspection Letter 2007/08.

REASONS FOR REPORT RECOMMENDATIONS

1. The Audit Committee's Terms of Reference require it to be satisfied and provide assurance to the Standards and Governance Committee that appropriate action is being taken on risk and internal control related issues identified by the external auditors. Specifically, the Committee has responsibility for oversight of the reports of external audit.

CONSULTATION

2. The Annual Audit and Inspection Letter, as attached, has been discussed and agreed with the appropriate officers.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

3. None

DETAIL

4. Under Regulation 19 of the Accounts and Audit Regulations 2003 (as amended 2006) the Annual Audit letter must be published and copied to all Members of the Council; as such it will be presented to Council on 18th March 2009.
5. The Annual Audit and Inspection letter attached at Appendix 1 sets out the Audit Commission's conclusions and any significant issues arising from the audit of the Council's 2007/08 accounts as well as other external inspections carried out within the Council up to the end of December 2008.

6. The letter confirms that under the Comprehensive Performance Assessment the Council is judged by the Audit Commission to be “improving well” and classified as ‘as three star in its current level of performance’.
7. The letter outlines a number of areas where the Council should focus its attention during the course of next year. It highlights in particular six key actions that require member’s attention in 2008/09:
 - Implement the revised non-residential social care billing policy and replacement income billing module during 2009.
 - Improve the collection rates for housing rents and council tax.
 - Establish robust IT recovery plans which should be regularly reviewed and tested.
 - Carry out gas safety inspections on all council owned properties within twelve month intervals, and ensure that a valid gas safety inspection certificate exists on each property file.
 - Further review the transformation approach to ensure it delivers value for money.
 - Continue to invest in and improve the level of educational attainment at GCSE and key stage 2 and 3.

FINANCIAL/RESOURCE IMPLICATIONS

Capital

8. None

Revenue

9. None

Property

10. None

Other

11. None

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

12. The duties and powers of auditors appointed by the Audit Commission are set out in the Local Government Act 1999.

Other Legal Implications:

13. None.

POLICY FRAMEWORK IMPLICATIONS

14. None.

SUPPORTING DOCUMENTATION

Appendices

1.	Annual Audit and Inspection Letter 2007/08
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Documents In Members' Rooms

1.	
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Background Documents

Title of Background Paper(s)

Relevant Paragraph of the
Access to Information
Procedure Rules / Schedule
12A allowing document to be
Exempt/Confidential (if
applicable)

1.		
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Background documents available for inspector Internal Audit Office, North Block
Basement, Civic Centre

E-mail: neil.pitman@southampton.gov.uk

FORWARD PLAN No: N/a

KEY DECISIONN/a

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WARDS/COMMUNITIES AFFECTED:N/a

Report Tracking

VERSION NUMBER:

1.0

DATE LAST AMENDED:

4 th March 2008

AMENDED BY:

Neil Pitman
